

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: September 20, 2021

Re: DOR Report to JFC

Attached is a report on the Consumer Price Index from the Department of Revenue, pursuant to s. 79.05(2m), Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

HM:MB:jm



State of Wisconsin • DEPARTMENT OF REVENUE

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Tony Evers
Governor

Peter W. Barca
Secretary of Revenue

September 16, 2021

The Honorable Howard L. Marklein, Co-Chair
Joint Committee on Finance
State Capitol, Room 316 East
P. O. Box 7882
Madison, WI 53707-7882

SEP 20 2021

St. Finance

The Honorable Mark Born, Co-Chair
Joint Committee on Finance
State Capitol, Room 308 East
P. O. Box 8953
Madison, WI 53708

Dear Senator Marklein and Representative Born:

Under sec. 79.05 (2m), Wis. Stats., on October 1 of every year, the Department of Revenue is required to certify to the Joint Committee on Finance the percentage change in the Consumer Price Index for all urban consumers (CPI-U) to be used in determining the inflation factor under the expenditure restraint program.

2021 Wisconsin Act 1 changed the certification date from November 1 to October 1. Act 1 also changed the inflation factors ending date from the 12 months ending with September 30 to 12 months ending with August 31.

Under sec. 79.05(1)(am), Wis. Stats., the inflation factor for the expenditure restraint program equals the average annual percentage change in the CPI-U, U.S. city average, for the 12 months ending on August 31. The CPI-U percentage change is 3.00 percent. Under Wis. Stats. 79.05(2)(c) and Wis. Admin. Code § Tax 19.03(k), the amount is rounded to the nearest 0.10 percent.

The department certifies that this CPI-U percentage change is 3.00 percent. This certification pertains to municipal budgets for 2022, which will determine eligibility for payments under the expenditure restraint program in 2023.

Calculation of the CPI-U for the 12 months ending August 31, 2021, is shown in the attached table. If you have any questions about our calculation, please contact me.

Sincerely,

Peter W. Barca
Peter W. Barca
Secretary of Revenue

Consumer Price Index for All Urban Consumers (CPI-U) U.S. City Average, All Items, Not Seasonally Adjusted 1982-84=100 Source: Bureau of Labor Statistics, U.S. Department of Labor		
Month	2019-20	2020-21
September	256.759	260.280
October	257.346	260.388
November	257.208	260.229
December	256.974	260.474
January	257.971	261.582
February	258.678	263.014
March	258.115	264.877
April	256.389	267.054
May	256.394	269.195
June	257.797	271.696
July	259.101	273.003
August	259.918	273.567
Total	3092.65	3185.359
Average	257.721	265.447
% Change		3.00%